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# Iraq

## Status Report

November 10, 2010



Bureau of Near Eastern Affairs  
U.S. Department of State

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## HIGHLIGHTS



- **COR Speaker Calls for Members to Attend Session (*POLITICAL*, page 4)**
- **Two Car Bombs Kill Eleven in Karbala and Najaf (*SECURITY*, page 10)**
- **Housing Contracts Will Create 12,000 Homes for Basrah Residents (*ECONOMIC*, page 17)**
- **KRG Official Meets with Under-Secretary Kennedy (*DIPLOMATIC*, page 18)**



## POLITICAL – Governance & Legislation

### Government formation negotiations continue

#### **COR Speaker Calls for Members to Attend Session:**

- **Parliamentary Speaker Fouad Massoum called for all members of Parliament to attend the Council of Representatives' (COR) opening session on November 8 to elect a new speaker in response to a decision from Iraq's Supreme Court requiring lawmakers to convene the COR. The lawmakers later agreed to hold the session on Thursday, November 11.**

#### **Obama Voices Support for Barzani Initiative:**

- **On November 4, U.S. President Barack Obama and British Foreign Secretary William Hague both expressed support for Kurdistan Regional Government (KRG) President Massoud Barzani's initiative for Iraqi government formation. Obama thanked Barzani for bringing together leaders of the four major alliances in Iraq. He stressed the importance of including all parties to form the government so that Iraq may maintain security and stability. Obama and Hague joined other international organizations and actors who have already voiced support for the initiative, including most Iraqi political parties and blocs, the UN, the Arab League, Turkey, Iran, and Saudi Arabia.**

## POLITICAL – Governance & Legislation



### Government formation negotiations continue

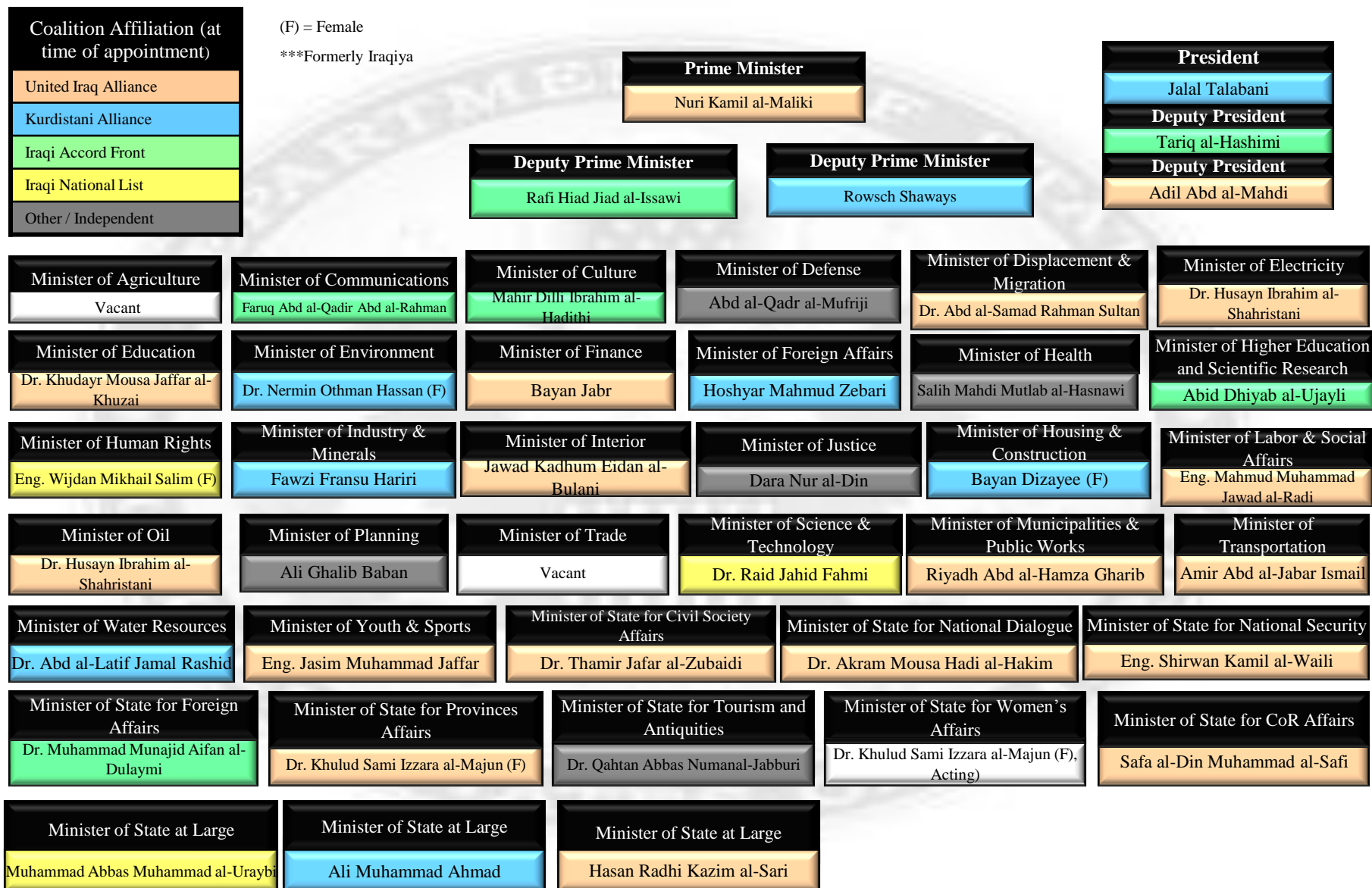
#### **Iraqi Activists Demand Iraqi Lawmakers Return Salaries, Form Government:**

- **The Iraqi Gathering Organization announced November 6 that they have filed a lawsuit demanding that lawmakers return their salaries and forgo future pay until government formation negotiations are complete. The same civil society and human rights groups won a ruling last month from Iraq's Supreme Court, which required lawmakers to reconvene the COR. Iraq's 325 parliament members have met only once since national elections took place on March 7.**





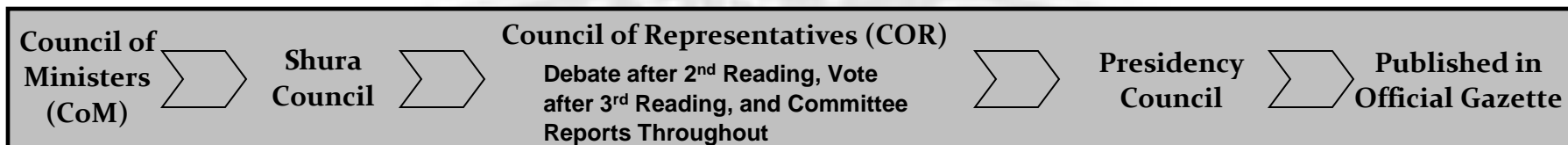
# POLITICAL – Government of Iraq





## POLITICAL – Key Legislative Issues

### Legislative Process



- **Hydrocarbons Package:** The Framework Law was resubmitted to the Oil and Gas Committee on October 26, 2008 and then returned to the Council of Ministers. There has been no progress on the other three laws in the package.
- **NGO Law:** This law, approved March 3, will regulate the operations and funding of Non-Governmental Organizations operating within Iraq.



## POLITICAL – Refugees

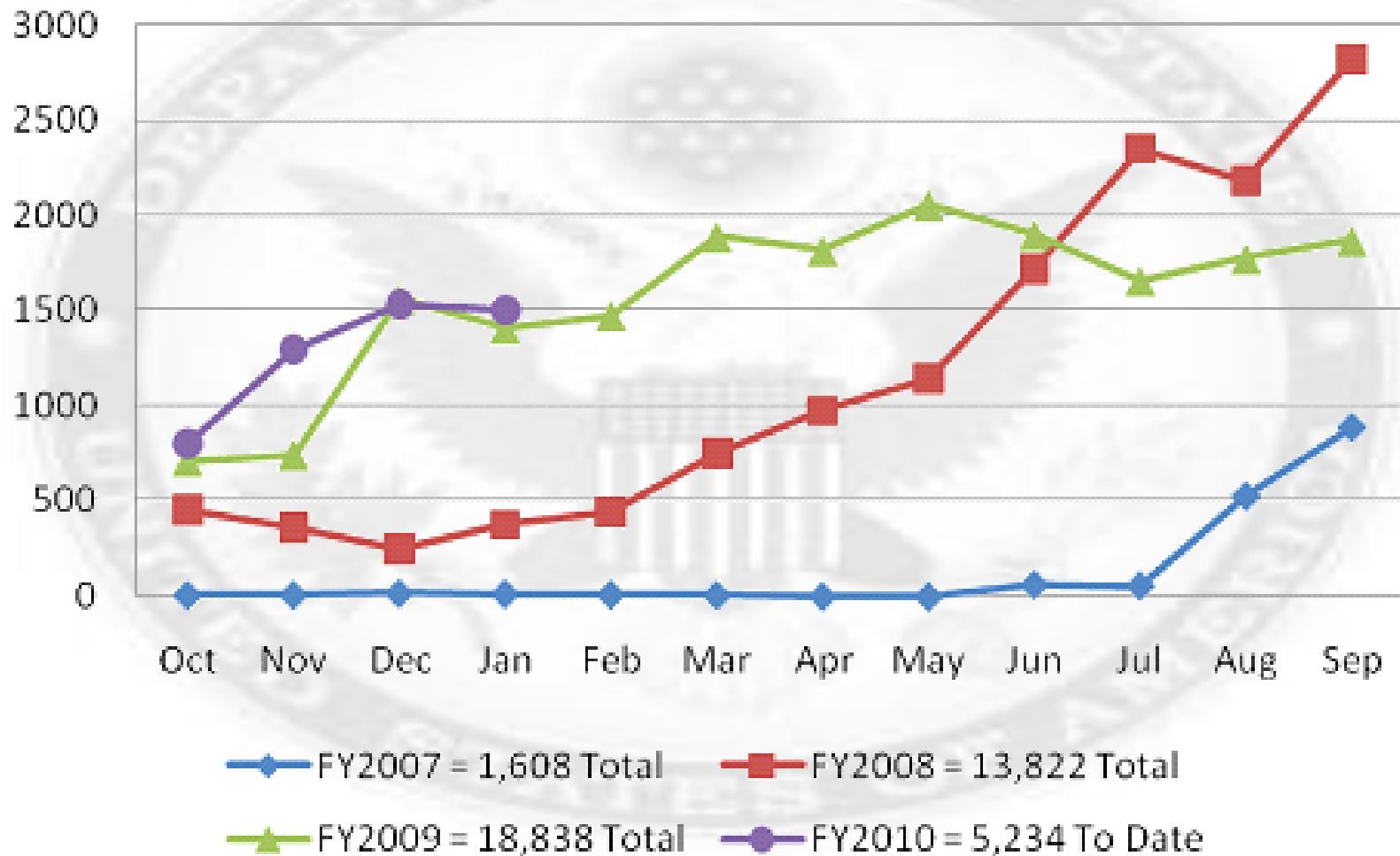
- **There are over 208,000 Iraqi refugees currently registered with the UN High Commissioner for Refugees (UNHCR) in neighboring countries and an undetermined number of unregistered refugees. UNHCR reports that 1.5 million Iraqis remain internally displaced due to sectarian violence following the Samarra Mosque bombing of February 2006.**
- **Since the beginning of 2008, over 515,000 Iraqis have returned to their neighborhoods in Iraq. The majority of the Iraqis returning were internally displaced persons.**
- **In FY10, the U.S. Government contributed \$355.8 million to international and non-governmental organizations to assist Iraqi refugees, internally displaced, and conflict victims.**
- **Since the program's inception in FY07, over 52,280 Iraqi refugees have been admitted to the U.S. for resettlement.**
- **As of September 2009, a total of 1,143 Special Immigrant Visas (SIVs) have been issued for Iraqi translators and interpreters (and their dependents) since FY07 (under the Section 1059 program).**
- **As of September 2009, a total of 1,716 SIVs have been issued for Iraqis employed by the U.S. government (and their dependents) since FY08 (under the Section 1244 program).**



# POLITICAL – Refugees



## Iraqi Admissions to the U.S.



## SECURITY – Situation Update



### Attacks in Karbala and Najaf target Shi'a Communities

#### **Two Car Bombs Kill Eleven in Karbala and Najaf:**

- **Two car bombs exploded in the Shi'a holy cities of Karbala and Najaf on November 8, targeting Shi'a pilgrims, most of whom were Iranian. Iraqi officials reported seven dead and 34 wounded in Karbala, and five dead and 16 wounded in Najaf.**

#### **Car Bombs in Kirkuk Target Kurdish Officials:**

- **On November 6, three car bombs exploded outside the homes of Patriotic Union of Kurdistan (PUK) party officials in Kirkuk. Senior Iraqi police official Brigadier General Adel Zeinalabedine said 34 were wounded in the simultaneous blasts.**

# ECONOMIC – Oil



## Crude oil average closing prices

Prices in world markets closed with the following averages:

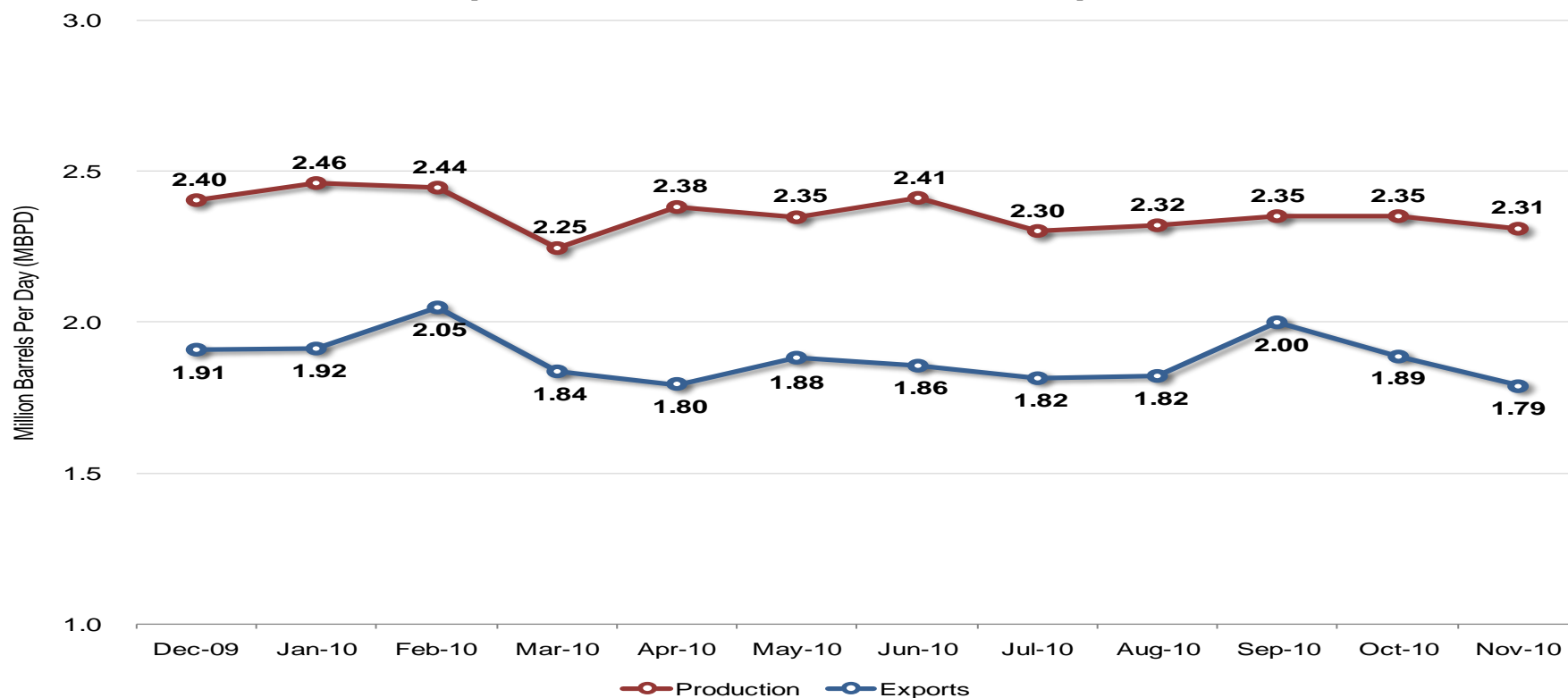
Basrah Light at \$83.77/barrel

Dated Brent at \$86.31/barrel

WTI Cushing at \$84.98/barrel

Oman/Dubai at \$82.96/barrel

## Iraq Crude Oil Production and Exports



## Iraq's Oil Revenue

2008: \$61.9 Billion

2009: \$39.2 Billion

2010 (ytd estimate): \$42 Billion

## ECONOMIC – Fiscal and Monetary Affairs

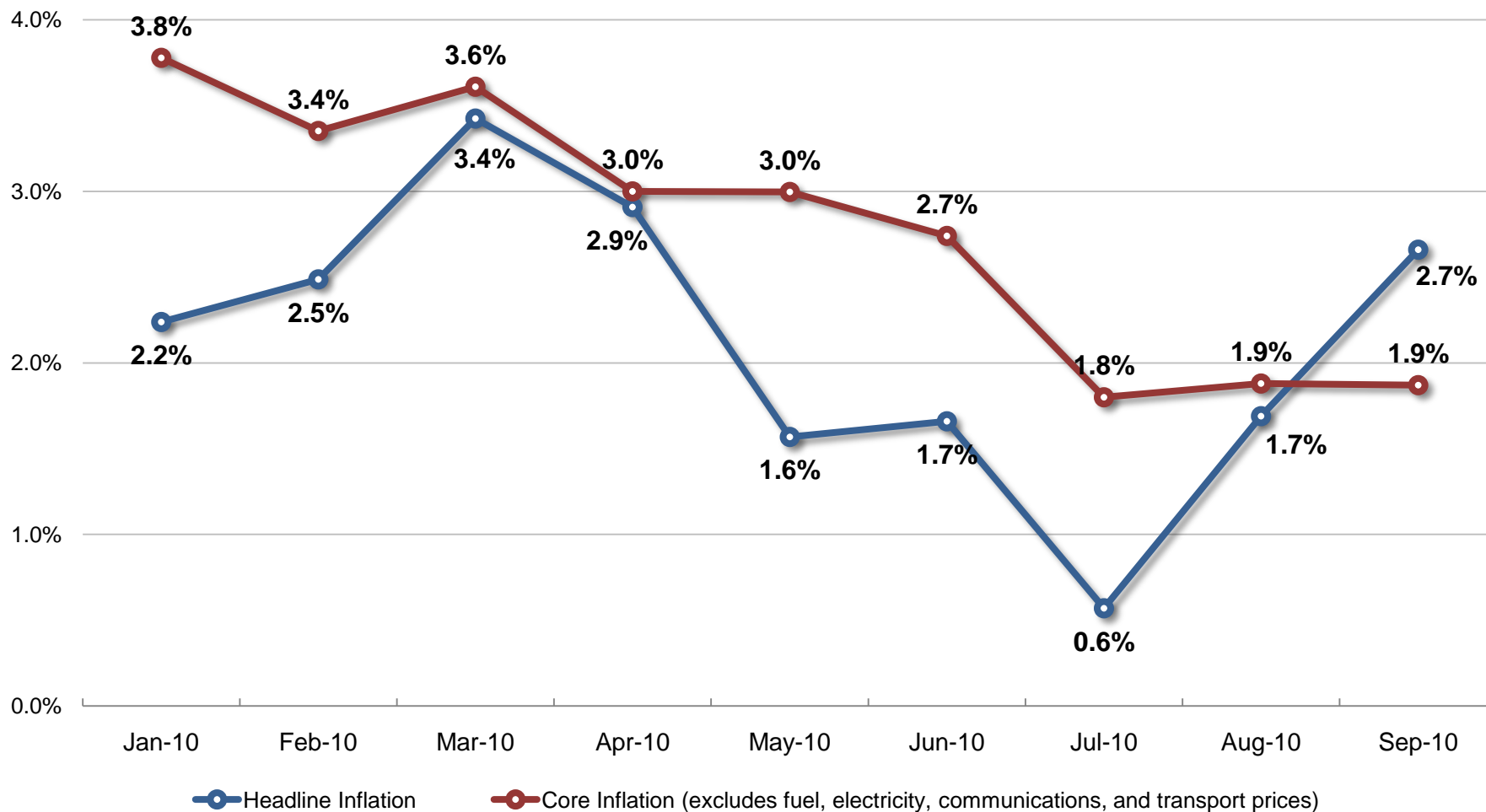


Economic Indicator	This Week	Last Week	Last Month	Last Year
<b>Iraqi Debt Swap Bond Prices and Yields</b>				
Price (USD)	\$94.86	\$93.45	\$90.11	\$64.50
Yield	6.29%	6.43%	6.79%	10.32%

## ECONOMIC – Fiscal and Monetary Affairs



### Iraq: Year-on-Year Inflation



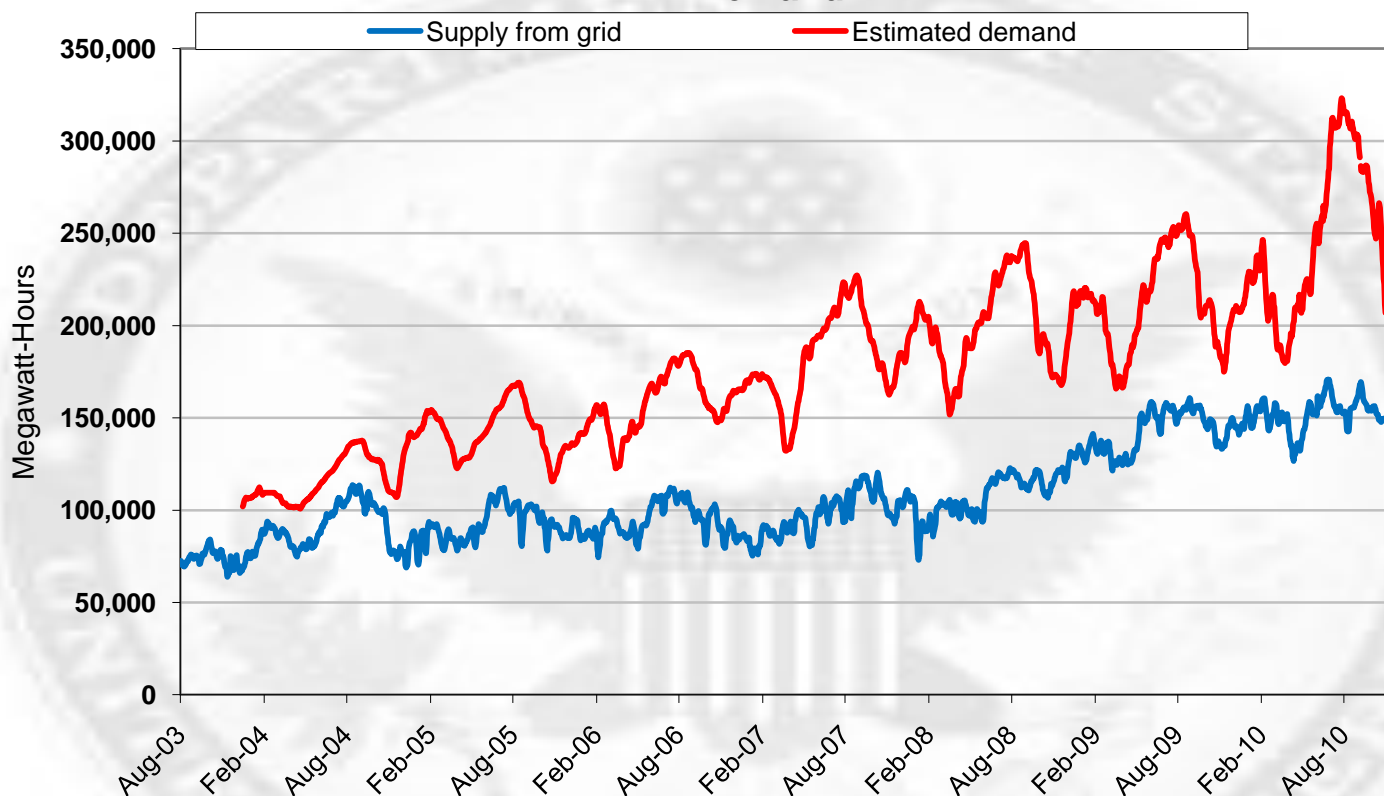
- In 2010, the Central Bank of Iraq began using a new Consumer Price Index. As a result, year-on-year inflation data prior to January 2010 cannot be directly compared.



## Public Services – Electricity



**Daily Electricity Supply from the Grid and Estimated Daily Demand**



- October 31 - November 6 supply from the grid was 10% above the year-earlier period, nearly matching the 11% increase in estimated demand. The result was a small decline in the percentage of estimated demand served by grid power from 73% to 72%.

## ECONOMIC – Energy



### Optimistic assessments made of Rumalia Oilfield

#### **Rumaila Production at its Highest Level Since Project's Inception:**

- **Recent assessments of the Rumaila oilfield by BP were optimistic, citing that October's production levels were at the highest level since BP won the contract to develop the field in June of 2010. The Rumalia oilfield is Iraq's largest, with a current production of one million barrels per day (bpd) and estimated reserves of 17.8 billion barrels, and is being developed by BP and its partner CNPC of China. Though production is high, BP announced it will continue to focus on increasing production by ensuring proper field infrastructure is in place, adding new wells to the flowlines, and making the production process more efficient in existing wells.**

## ECONOMIC – Industry Spotlight: Educational Partnerships



### U.S. university shares agricultural and engineering expertise with Iraqis

#### **First Deal between a U.S. State and the GOI Signed in Baghdad:**

- **Oregon Governor Ted Kulongoski was in Baghdad on November 1-2 to sign a memorandum of understanding with GOI officials that will establish a public-private partnership for higher education. Specifically, Oregon State University, the Iraqi Ministry of Higher Education, and an Oregon-based private foundation have agreed to a five-year program to develop sustainable agriculture, dry-land farming, and renewable energy initiatives. The agreement was first conceived when 19 Iraqi engineers from 11 universities visited Oregon last year at the request of the governor. "As the nation of Iraq begins to rebuild its infrastructure with a focus on sustainability, there is an opportunity for Oregon to be a partner by sharing our expertise in this area," the governor said in an official statement. The partnership represents the first agreement between a U.S. state and the GOI.**

## ECONOMIC – Private Sector



Private companies build homes, create jobs for Iraqis in Basrah and Baghdad

### Housing Contracts Will Create 12,000 Homes for Basrah Residents:

- With Iraqis facing an enormous housing shortage after years of war and sanctions, Maryland-based engineering firm World Solutions International (WSI) announced its \$220 million contract to build 2,500 housing units in Iraq. The firm revealed that the units would include both flats and villas over a 200-acre parcel of land near Basrah, with flats being sold at \$55,000 and villas between \$300,000-400,000. WSI stated that its contract was one of three that, in total, would provide Basrah with 12,000 homes. The second, worth \$240 million, was granted to a Lebanese firm, and the third, worth \$938 million, was awarded to an Iranian firm and is currently pending final approval.

### Deloitte's Baghdad Office to Open in 2011:

- The global accounting firm Deloitte has announced plans to open its first office in Iraq in the first quarter of 2011. The branch, which will be located in Baghdad, will employ a combination of expatriates and locals. "We have many clients, mainly in the oil and gas industry, that are in Iraq, but we are also looking to serve the local economy," said Omar Fahoum, Deloitte's Middle East chairman and chief executive. Fahoum also commented on Deloitte's desire to maintain a high level of growth in its Middle East offices, as it has hired approximately 1,000 employees in the region since 2008.

## DIPLOMATIC – Political Engagement



### Iraqi regional and international reintegration

#### **KRG Official Meets with Under-Secretary Kennedy:**

- **KRG Prime Minister Barham Saleh met with U.S. Under-Secretary of State for Management Patrick Kennedy on November 3 to discuss bilateral ties and the opening of a consulate in Erbil. The two officials underlined that opening the consulate will help attract investors and companies to the Kurdistan region.**

#### **Syrian President Supportive of Iraq's Fight against Terrorism:**

- **Syrian President Bashar al-Assad expressed Syria's support for the Iraqi people in confronting terrorism during a meeting on November 3 with Iraqi Vice President Adel Abd al-Mahdi. President Assad also stressed the necessity of speeding up the process of forming a national unity government that enjoys the support of the Iraqi people.**

#### **France Grants Asylum to Victims of Church Attack:**

- **France sent a plane to Iraq on November 8 to collect 36 Iraqis and their families who were wounded in a deadly attack when al-Qaeda took hostages at Our Lady of Salvation Church on October 31 in Baghdad. France has agreed to grant asylum to a total of 150 Iraqis affected by the attack.**



## Baghdad and Beyond



Health Training Session in Ninewa

*Baghdad*

*Ninewa*

“...we will help Iraq's institutions strengthen their capacity to protect the rule of law, confront corruption, and deliver basic services.”

*President Barack Obama*

### *Recent Highlights*

PRT Baghdad recently met with senior attorneys from the Iraqi Bar Association (IBA) at the Karradah courthouse to discuss the confused nature of Iraqi laws and the recent unauthorized release of classified information through the Wikileaks website. One attorney recommended that the IBA examine Wikileaks documents to determine their authenticity and then set up a committee to decide whether cited individuals should face charges.

On October 25, PRT Ninewa held an all-day information session via video conference, attended by health officials from the four Northern provinces and the Kurdistan region, as well as the Iraqi Red Crescent, Ministry of Health officials, USAID, and other NGOs. Ninewa's pressing issues include increasing the number of health facilities, improving the capability of health professionals and the completion of treatment centers. Participants appreciated the session and expressed hope that the PRT will hold these meetings regularly.



## CONTACT INFORMATION

**This brief draws from multiple sources. References are cited on the following pages.**

**For additional information, please see:**

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<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of State, Section 1227 Report on Iraq  
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of Defense, Section 9010 Measuring Stability and Security in Iraq  
[http://www.defenselink.mil/home/features/Iraq\\_Reports/index.html](http://www.defenselink.mil/home/features/Iraq_Reports/index.html)

**Please forward all questions and/or comments to:**

**[NEA-I-IPOG-DL@state.gov](mailto:NEA-I-IPOG-DL@state.gov)**



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Slide 4:

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- Aswat al-Iraq, November 5, <http://en.aswataliraq.info/?p=138654>; Aswat al-Iraq, November 5, <http://en.aswataliraq.info/?p=138656>

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- Washington Post, November 7, <http://www.washingtonpost.com/wp-dyn/content/article/2010/11/06/AR2010110603822.html>

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- Reuters, November 8, <http://af.reuters.com/article/worldNews/idAFTRE6A711E20101108>
- AFP, November 6, <http://www.google.com/hostednews/afp/article/ALeqM5igNjWHoHejc5GfwGeO6FWeqg9RnQ?docId=CNG.f67b1334788a64b61bc6fb563d2ea202.541>

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- Department of State, NEA/I Economics Section, NEA-I-ECON-DL@state.gov

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- Department of State, NEA/I Iraq Policy and Operations Group, NEA-I-IPOG-DL@state.gov

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- Department of State, NEA/I Economics Section, NEA-I-ECON-DL@state.gov



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- Reuters, November 4, [http://www.futurespros.com/news/futures-news/u.s.-firm-wsi-starts-\\$220-mln-housing-project-in-iraq-1000004034](http://www.futurespros.com/news/futures-news/u.s.-firm-wsi-starts-$220-mln-housing-project-in-iraq-1000004034)
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- Aswat al-Iraq, November 3, <http://en.aswataliraq.info/?p=138604>
- AFP, November 8, <http://www.google.com/hostednews/afp/article/ALeqM5i2tDe9s-FCEXAdXaS8tfpU9H1f8Q?docId=CNG.1ec17e6b417fa531977cea8fc63ac880.961>

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- Source for Stories: PRT Weekly LOO Summary, Rule of Law, October 24 – 30, 2010
- PRT Weekly LOO Summary, Governance, October 24 – 30, 2010
- Source for President Obama's Quote: [http://www.whitehouse.gov/the\\_press\\_office/Remarks-of-President-Barack-Obama-Responsibly-Ending-the-War-in-Iraq/](http://www.whitehouse.gov/the_press_office/Remarks-of-President-Barack-Obama-Responsibly-Ending-the-War-in-Iraq/)
- Source for Photograph: [http://iraq-prt.usembassy.gov/ninewa\\_prt12272009.html](http://iraq-prt.usembassy.gov/ninewa_prt12272009.html)